



General Assembly

January Session, 2017

Committee Bill No. 5886

LCO No. 6325



Referred to Committee on FINANCE, REVENUE AND
BONDING

Introduced by:
(FIN)

***AN ACT ESTABLISHING A TAX CREDIT FOR DONATED
AGRICULTURAL FOOD COMMODITIES PRODUCED OR GROWN BY
THE TAXPAYER.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2017, and applicable to income years*
2 *commencing on or after January 1, 2017*) (a) There shall be allowed a
3 credit against the tax imposed under chapter 208 or 229 of the general
4 statutes, other than the liability imposed by section 12-707 of the
5 general statutes, for agricultural food commodities such as fruits,
6 vegetables, dairy, eggs, poultry or meat, that are (1) grown or
7 produced by the taxpayer, and (2) donated by such taxpayer to a food
8 bank in the state or an emergency feeding organization in the state,
9 recognized by the Department of Revenue Services.
- 10 (b) (1) The amount of the credit shall be fifteen per cent of the
11 market value of the product donated during the income year for which
12 the credit is claimed, or five thousand dollars, whichever is less. Any
13 credit not used in the income year for which it was allowed may be
14 carried forward for the five immediately succeeding income years until

15 the full credit has been claimed. Any taxpayer claiming the credit shall
 16 provide to said department documentation supporting such claim in
 17 the form and manner prescribed by the Commissioner of Revenue
 18 Services.

19 (2) If the taxpayer is an S corporation or an entity treated as a
 20 partnership for federal income tax purposes, the credit may be claimed
 21 by the taxpayer's shareholders or partners. If the taxpayer is a single
 22 member limited liability company that is disregarded as an entity
 23 separate from its owner, the credit may be claimed by such limited
 24 liability company's owner, provided such owner is subject to the tax
 25 imposed under chapter 208 or 229 of the general statutes.

26 (c) (1) No taxpayer shall donate agricultural food commodities that
 27 the Department of Public Health or a local director of health, or an
 28 authorized agent thereof, has embargoed or ordered destroyed, are
 29 adulterated, as defined in section 21a-101 of the general statutes, or are
 30 not fit for human consumption.

31 (2) No taxpayer shall receive remuneration for a donation made
 32 pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2017, and applicable to income years commencing on or after January 1, 2017</i>	New section

FIN *Joint Favorable*